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REMARKS/ARGUMENTS

Claims 1-5, 7-13, 15-16, and new claims 21-25 are pending in this application. Claims 1-20 have been rejected. Claims 1, 7, 8, 9, 15, and 16 have been amended, claims 8, 14, and 17-20 have been canceled, and new claims 21-25 have been added, to more particularly point out and distinctly claim the subject matter of the present invention. Applicant hereby requests further examination and reconsideration of the application in view of the foregoing amendments and these remarks.

In paragraph 4 of the Office Action, the Examiner rejected claims 1-20 under 35 U.S.C. § 102(b) as being anticipated by Wilfong (U.S. Pat. No. 5,940,511).

Independent claim 1 has been amended, and its variously dependent claims have been variously amended or canceled accordingly. Independent claim 1 has been amended to specify that the scramble key is generated by generating a random difference value for at least one digit of the user code but less than all of the digits of the user code. See paragraph 0028 of the published application, which explains that the computer may ask the user to scramble only certain digits of the PIN code, rather than all of the digits.

By contrast, Wilfong teaches a method of transforming a PIN code by encoding each and every digit of the PIN code in sequence (see Wilfong, col. 2, lines 42-43; claim 1). Applicant submits that claim 1, as amended, is not suggested or taught by Wilfong. In fact, Wilfong teaches away from Applicant's claimed invention by specifying that all of the PIN code digits have to be transformed.

Apparatus claim 9 has been similarly amended and is also not suggested or taught by Wilfong for similar reasons.

New independent claim 21 claims a method in which the scramble key is provided to the user and the user is prompted to generate an input code by adding the scramble key to the user code. See published application, paragraph 0030, which specifies:

In another embodiment, the central computer may provide an entire random scramble key and ask the user to modify the user code based on this key, to result in some scrambled user code. For example, if the user code is 1234, the computer may determine a random scramble key of 117, and ask the user to add the number "117" to the code. The user should then calculate to determine the scrambled user code 1351.

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By contrast, Wilfong teaches sequentially transforming each digit of the PIN code by calculating a value based on the individual PIN digit and some random value. Applicant submits that new claim 21 is not suggested or taught by Wilfong.

New independent claim 23 claims a method in which the scramble key is provided to the user and the user is prompted to generate an input code by scrambling the user code in accordance with a specified scramble scheme. See published application, paragraph 0030, which provides:

The random scramble key, or constituent parts thereof, may be applied to parts of all of the user code in ways other than addition and subtraction, to produce the scrambled user code, such as multiplication, modulo addition, and so on. For example, in a simple scramble scheme, the central computer may ask the user to enter the middle two digits only of the user code; in this case, the middle two digits constitute the scrambled user code which is related to the original user code by the scramble key and method. Or, the scramble key may be "plus-one," meaning that the user is requested to shift the user code to the right, i.e. 1234 becomes 4123, and so forth.

Accordingly, dependent claims 24 and 25 specify that the scramble scheme consists of selecting some but not all specified digits from the user code; or of shifting all of the digits of the user code a specified number of places in a specified direction. Wilfong teaches sequentially transforming each digit of the PIN code by calculating a value based on the individual PIN digit and some random value, but nowhere suggests scrambling the PIN code in accordance with a specified scramble scheme. Applicant therefore submits that new claim 23 is not suggested or taught by Wilfong.

For the foregoing reasons, Applicant respectfully submits that independent claims 1, 9, 21, and 23 are neither anticipated, taught, nor suggested by Wilfong, and are thus in condition for allowance, as are their various dependent claims.

In view of the foregoing remarks and amendments, the pending claims, as variously amended, are believed to be in condition for allowance. Applicant respectfully requests that a timely Notice of Allowance be issued in this case.

The Assistant Commissioner for Patents is hereby authorized to charge any additional fees or credit any excess payment which may be associated with this communication to our deposit account 50-1705.

The undersigned may be contacted for any questions.

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Respectfully submitted,

Date: September 22, 2004

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